



July 1, 2005

MEMORANDUM

TO: Department Directors and Elected Officials

FR: Mollie Anderson
Director

RE: Mileage Reimbursement Policy

As you are aware, a state officer or employee shall not be compensated for driving a privately owned motor vehicle unless it is done on state business with the approval of the director.

After thoroughly researching this issue, and gaining input from departments, the mileage reimbursement policy will change. **Effective July 1, 2005, the mileage reimbursement rate for driving a privately owned motor vehicle for state business is raised to one rate of \$.34 per mile. The rate shall be used regardless of availability of vehicles from the State motor pool.**

DAS/GSE Fleet Services is available for consultation on the costs of renting vehicles from the motor pool. The phone number is 515.281.7702.

The change in the policy for the increase in the mileage reimbursement rate is based on these reasons:

- Research showed Iowa had one of the lowest reimbursement rates;
- Increased costs of fuel created a hardship on employees who travel for state business;
- Research showed that the dual rate structure created more administrative burdens, and very few states implement a dual rate;
- Agency and union support for the increased rate.

DAS is committed to help manage these increased costs. Dale Schroeder, DAS/GSE Fleet administrator will follow-up with departments to provide information on the use of the state fleet to help offset agency travel budget increases.

The actual policy is attached to this email. Please share this information with your employees.

If you have questions, please contact me at 515.281.5360.

STATE OF IOWA
MILEAGE REIMBURSEMENT POLICY

Pursuant to Iowa Code section 8A.363, a state officer or employee shall not be compensated for driving a privately owned motor vehicle unless it is done on state business with the approval of the director.

Effective July 1, 2005, the mileage reimbursement rate for driving a privately owned motor vehicle for state business is raised to one rate of \$.34 per mile. The rate shall be used regardless of availability of vehicles from the State motor pool.

The Department of Administrative Services/General Services Enterprise (DAS/GSE) Fleet Services is available for consultation on the costs of renting vehicles from the motor pool. The phone number is 515.281.7702.

Dated: July 1, 2005